



Summary

Despite feeling the effects of the national slowdown, Iron County managed to end 2000 in a healthy state. The county did lose employment in the “goods-producing industries”. However, the best county-level indicator of economic well-being—growth in nonfarm jobs—showed moderate expansion, unemployment remained low, construction picked up slightly, and sales increased. However, as the national slowdown continues, Iron County will be susceptible to economic deterioration.

Population

For most of the last half-century, population growth in Iron County has mirrored state expansion rates. That trend ended in the 1990s when the population of Iron County exploded.

Just how fast was the population growth? Recently released figures from Census 2000 tell us that roughly 33,800 individuals lived in Iron County during 2000. That represents a 63-percent decade increase in population. In fact, Iron County was the third fastest growing county in Utah during the 90s. Compare Iron County’s 63-percent expansion in population to the 30 percent growth in Utah population between 1990 and 2000. And, the U.S. expansion measured a mere 13 percent.

While Enoch experienced the most rapid population boom between 1990 and 2000 (almost 80 percent), Cedar City continued to attract the most new residents. Brian Head was the slowest growing community in the county with a population increase of only 8 percent. One of the most interesting trends was the rapid population growth outside the county’s major townships.

Demographics

One of the more startling changes the Census revealed was an increase in Iron County’s Hispanic population. In 1990, less than 2 percent of the county’s population was Hispanic. By 2000, that share had increased to more than 4 percent. Still, Iron County has not become a

hotbed of diversity. Only 9 percent of the county’s population is nonwhite or Hispanic compared to 31 percent nationally.

Unlike many communities, Iron County has not seen a significant aging of its population. Census data shows that 9 percent of the county’s population is over the age of 65—less than the 10 percent registered in 1990.

Iron County’s population is indeed heavy on the young side. Roughly 31 percent of the population is 18 years old or younger compared to 26 percent nationally. On the other hand, Iron County’s population distribution is fairly similar to Utah’s except for a bulge in the college-age population. That fact is hardly surprising given the presence of Southern Utah University.

Iron County’s household size has decreased slightly over the 90s. However, Iron County families are more likely than Utah or U.S. families to be headed by a married couple. Moreover, only 7 percent of the county’s families are headed by women with children compared to 8 percent in Utah and 11 percent nationally.

The Labor Market

With annual job growth of 3.1 percent during 2000, Iron County surpassed the employment expansion rates of both Utah and the United States. Iron County accomplished this feat despite losing employment in all of its goods-producing industries—mining, manufacturing, and construction. Most of the county’s 430 net new jobs were created in services—in particular, business services. However, in 2001, expect trade to play a larger role in the economy as the retail sector has already expanded as of this writing.

Government was the only other major producer of new jobs during 2000. The university and local government generated most of these new public sector positions.

The manufacturing industry lost more than 100 jobs. And, keep in mind that these 2000 figures do not include the O'Sullivan plant closure in January 2001. In other words, expect manufacturing figures to worsen. Construction employment dropped by almost 60 positions. However, based on new construction permitting figures, employment should expand somewhat during 2001.

This moderate (albeit narrowly-focused) employment growth helped keep the unemployment rate at only 3.1 percent—slightly slower than the state average. Early 2001 figures do show that the rate has begun to rise. However, Iron County has experienced a very tight labor market for several years. The increase early in 2001 may actually help ease a difficult labor market situation for employers seeking new workers.

Wages and Income

Along with the decline in Iron County goods-producing jobs another flaw appears on the economic horizon. However, this flaw is one of long-standing rather than a recent event. Like many counties outside the sphere of the Wasatch Front, Iron County suffers from lower-than-average wages. In 2000, the county's average monthly nonfarm wage (\$1,629) measured only 68 percent of the state average. And, this percentage measured at its lowest in more than a decade. Currently, Iron County's average monthly wage places it in the bottom third when all Utah counties are ranked.

Despite a larger-than-average manufacturing sector, Iron County wages remain low. The abundance of a young college-age workforce fosters these low wages. Even the expanding economy works to keep wages low—particularly when the new jobs are in services or retail trade. When new firms enter the area or expand, they often hire at the bottom of their pay scales.

In addition, the average Iron County worker's wages grew by only 1 percent during 2000. Yes, last year, average wage growth didn't even keep pace with inflation. However, not all forms of compensation can be measured in dollars. Obviously, many workers are willing to forgo higher wages to enjoy the quality of life in the county.

Transportation/Communications/Utilities is the highest-paying industry in the county. Trade and services have the lowest average wages because many are part-time and low-pay. All Iron County industries show lower average wages than Utah. With wages at 96 percent of the state average, transportation/communications/utilities wages most closely approximate the state's figures.

Measures of income (which includes interest income, rental income, business income, government payments such as Social Security and welfare, as well as wages) show a similarly dismal picture. Moreover, median household income figures rank below state and national averages. In terms of per capita personal income, Iron County again ranks in the bottom one-third of counties. Not surprisingly, Iron County estimates of poverty (16 percent) register higher than the averages for both Utah and the United States

Other indicators

Construction bolstered Iron County's economic position during 2000. Residential permit values rose to the highest level since 1995, and the number of permits issued actually increased. Permitting data shows that the majority of residential growth is still occurring in Cedar City. However, sizeable expansion is appearing outside the county's major cities and towns.

Nonresidential construction received a nice boost from the construction of the retail and public-sector buildings. The value of commercial building grew by more than 50 percent between 1999 and 2000 and marks the highest level since 1992.

Growth in sales has proved fairly erratic in Iron County over the past decade. In 2000, the county produced a very mediocre expansion rate of 3.3 percent.

The End

All in all, Iron County's economy continued to hold its own during 2000. Moreover, it did this despite losing a substantial number of jobs. However, Iron County has already felt the effects of the national downturn and will do so in the future. In addition, lower-than-average wages continue to characterize the area.